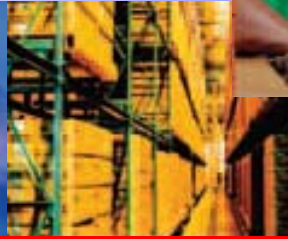


# Creating Best Value Solutions



## Move Management Services Understanding Relocation Values & Options

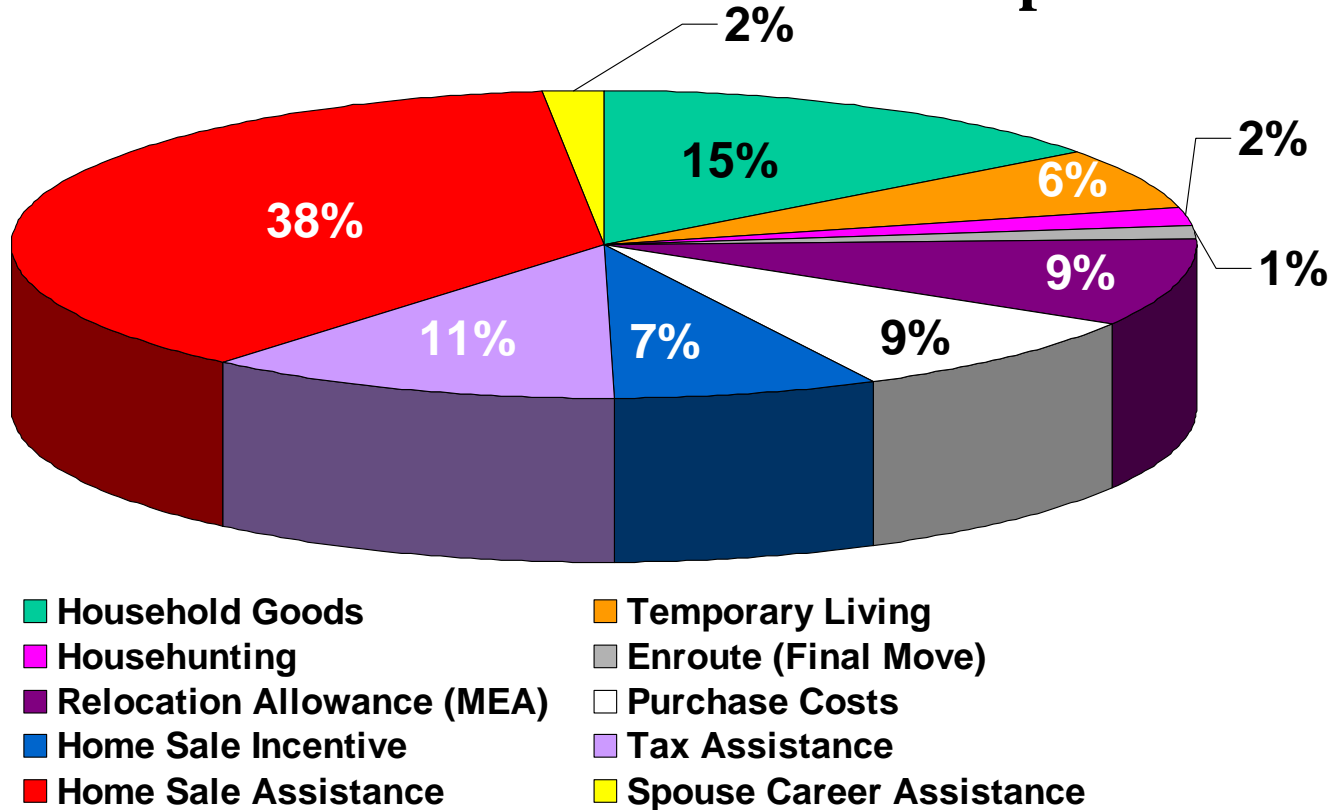
February 23, 2006

AMSA & GSA Household Goods and Freight Forum  
Garden Grove (Anaheim), California



# Household Goods Rates # 2 in Costs

## Homeowner Relocation Cost Components



# Agency Move Management Options

- **GSA Schedule Contract**
  - **Schedule 48**
    - Menu of services available
    - Allows “full service” approach
  - **SIN 653-7 Move Management Services**
    - Commercial
    - CHAMP
- **GSA CHAMP**
  - Household goods
- **Agency Competitive Bid**
  - Quasi government agency approach
  - Usually “full service” RFP

# GSA Supply Schedule Contract

## **SIN 653-1 Relocation Package**

**Home Sale Assistance**

**Marketing Assistance**

**Destination Area Services**

**Reports**

## **SIN 653-2 Property Management**

## **SIN 653-4 Additional Services**

- Voucher Review and Payment
- Entitlement Counseling
- Rental Assistance
- Cost-of-Living Services

## **SIN 653-6 Training**

## **SIN 653-5 Agency Customization Services**

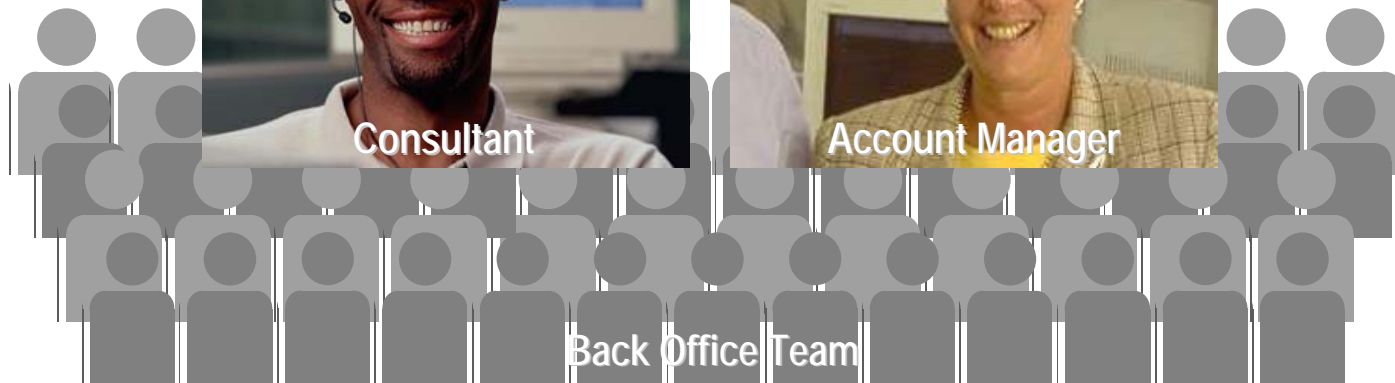
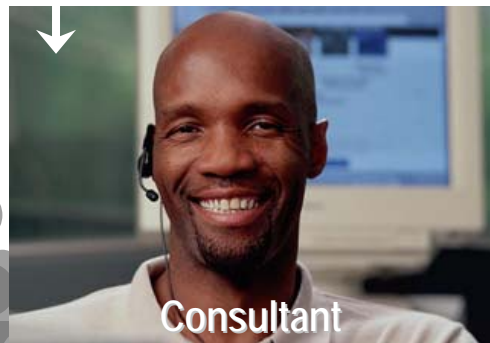
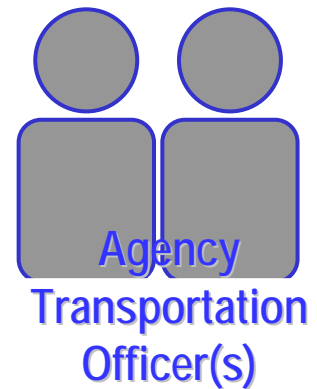
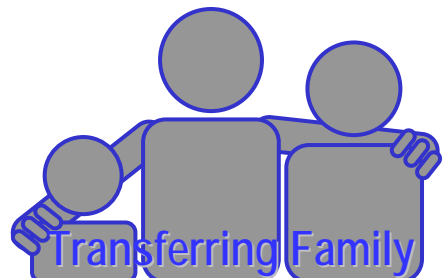
- Buyer Value Option & Home Marketing Assistance
- Close Only Services
- Special Handling Transactions

## **SIN 653-7 Move Management Services**

# Commercial Program = Flexibility

<b>Customized Components</b>	<b>MMS</b>	<b>Agency</b>	<b>Carrier</b>
Entitlement Counseling	✓	✓	
Move Planning	✓		
CBL/GBL Preparation	✓	✓	✓
Supplier Network	✓	✓	
Supplier Selection	✓	✓	
Supplier Management	✓	✓	
Pre-payment Audit	✓	✓	
Service Evaluation	✓	✓	
Performance Guarantee	✓		
Full Value Insurance & Coverage Options	✓		
Claims Management	✓		
Carrier Liability Coverage		✓	✓
Choice of Tariff	✓	✓	
Single Discount	✓	✓	

# A Single Point of Accountability



- Integrated processes, Web portals, and back-end technology support everyone in the program

# Evaluation Criteria - Technical

- **Quality Assurance Program**
  - Evaluation process
  - Performance goals & measurements
- **Supplier Selection Process**
  - Network acceptance
  - Per move
- **Program Variances**
  - Insurance
  - Ease of claims process
  - Claims settlement time
  - Potential employee out of pocket expenses
- **Accuracy**
  - Benefit counseling
  - Pre move weight estimate
  - Shipment valuation
  - Crew and truck size
  - Frequency of invoice errors
  - Severity of invoice errors
- **Past Performance**
  - On time pack and load
  - On time delivery
  - Frequency of claims
  - Severity of claims
  - Time to settle claims
- **Program Support Materials**
- **Technology**
- **Program Management Tools**
  - Technology
  - Reporting
    - ... Activity
    - ... Cost
    - ... Demographics
    - ... Shipment
    - ... Performance report card
  - Contract administration
  - Industry trends
  - Account performance reviews
- **References**
  - Like size and complexity
    - ... Transfer locations
    - ... Shipment size
    - ... Same tariff and terms
  - Incident of storage
  - On time pick up and delivery
  - Frequency of invoice errors
  - Severity of invoice errors
  - Frequency of claims
  - Severity of claims

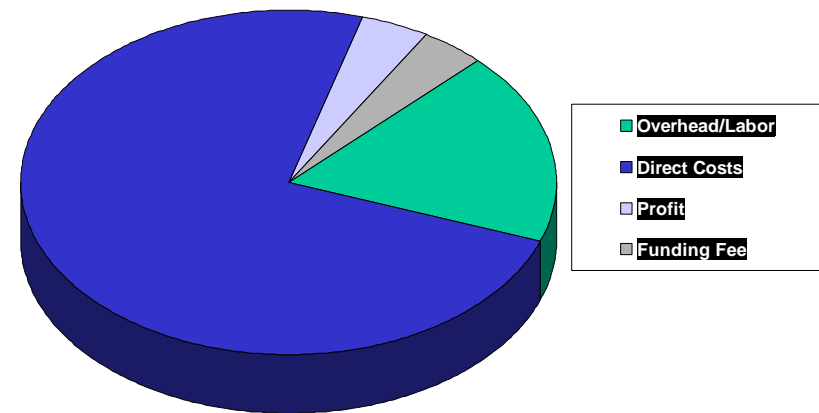
# Customized Discounts

## ■ Components of Total Cost

- Overhead
- Direct Operating Expenses
- Profit
- Funding Fee

## ■ Cost Considerations

- Anticipated Volume
- Move Volume
- Complexity of service
- Contract terms
- Client policy
- Direct cost trends





# Evaluation Criteria - Cost

- **Compare program cost components**
  - Provide actual invoices with backup
  - Remove confidential information
- **Include representative sample of moves**
  - Shipment size
  - Incident of storage
  - Locations
  - Rate moves under both tariffs
  - Factor in additional costs
- **Cost Performance**
  - Frequency of shipments to storage
  - Compare reported data to actual experience reported by references
- **Rate Adjustment Cycle**
- **Exceptions**
  - Off cycle rate filings
  - Peak season

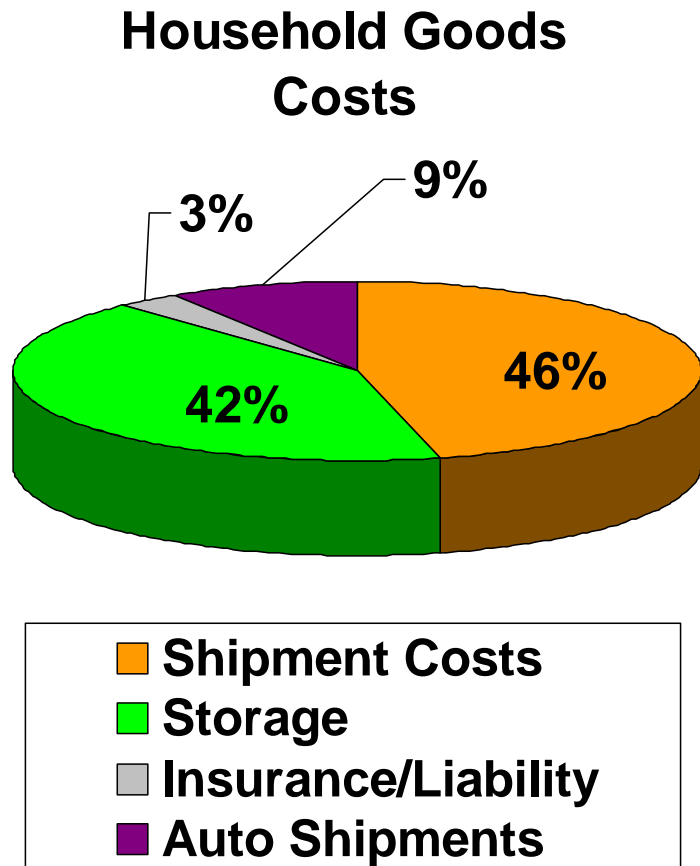
# Direct Cost Analysis - Sample

## Total Direct Move Cost (including Storage & Related)

Scenario No.	Orig.	Dest.	Weight	Miles	GSS Schedule Commercial	CHAMP	Savings with GSA FSS	GSA CHAMP after rate Adjustemnet	Savings with GSA FSS after rate adjustment
* 1	CA	FL	18,000	2,970	\$4,248.41	\$4,714.45	\$466.04	\$4,891.11	\$642.70
* 2	WA	CO	12,240	1,229	\$2,951.16	\$3,548.77	\$597.61	\$3,647.55	\$696.39
3	CA	CA	5,119	107	\$1,871.52	\$2,426.47	\$554.95	\$2,546.85	\$675.33
* 4	NM	GA	14,320	1,615	\$3,465.29	\$4,091.34	\$626.05	\$4,216.10	\$750.82
5	CA	DC	10,640	2,568	\$11,186.03	\$11,621.33	\$435.30	\$11,817.18	\$631.14
6	TN	BC	11,040	2,515	\$10,020.12	\$11,209.19	\$1,189.07	\$11,429.51	\$1,409.40
* 7	ON	MO	16,960	522	\$4,736.75	\$5,626.79	\$890.04	\$5,799.45	\$1,062.70
8	CA	DC	17,000	2,613	\$13,337.12	\$14,489.74	\$1,152.63	\$14,788.11	\$1,450.99
* 9	TX	CO	8,100	599	\$2,772.55	\$3,259.84	\$487.29	\$3,355.54	\$582.99
* 10	TX	ON	4,550	1,897	\$1,720.60	\$2,057.90	\$337.30	\$2,104.92	\$384.32
11	NJ	DC	12,300	213	\$5,789.89	\$6,103.06	\$313.16	\$6,295.00	\$505.11
12	AZ	DC	19,360	2,217	\$14,538.23	\$14,045.34	<b>-\$492.89</b>	\$14,483.07	<b>-\$55.16</b>
* 13	FL	VA	2,540	1,023	\$603.38	\$720.99	\$117.61	\$738.35	\$134.97
14	FL	BC	10,060	3,376	\$10,776.07	\$14,058.01	\$3,281.94	\$14,337.41	\$3,561.34
15	NJ	DC	4,560	199	\$2,208.23	\$2,367.12	<b>\$158.89</b>	\$2,443.21	<b>\$234.98</b>
16	PQ	AR	9,050	1,416	\$5,952.17	\$8,844.88	<b>\$2,892.71</b>	\$9,144.71	<b>\$3,192.54</b>
17	GA	TX	8,260	775	\$4,503.66	\$6,839.88	<b>\$2,336.22</b>	\$5,149.79	<b>\$646.13</b>
18	TX	DC	9,280	1,707	\$6,856.51	\$7,164.79	<b>\$308.27</b>	\$7,408.76	<b>\$552.25</b>
19	VA	TX	14,260	1,685	\$8,697.39	\$9,231.67	<b>\$534.28</b>	\$9,410.88	<b>\$713.49</b>
20	TX	VA	6,440	1,667	\$4,030.61	\$4,303.27	<b>\$272.66</b>	\$4,390.44	<b>\$359.83</b>
<b>Total:</b>					\$120,265.69	\$136,724.82	<b>\$16,459.13</b>	\$138,397.96	<b>\$18,132.26</b>
<b>Average:</b>					\$6,013.28	\$6,836.24	<b>\$822.96</b>	\$6,919.90	<b>\$906.61</b>
<b>Average Savings as Percentage:</b>							<b>12%</b>		<b>13%</b>

\* Represents Additional Days of Storage and Delivery Charges Only.

# Ongoing Performance Assessment



- **Continue to measure against your selection criteria**
  - Monthly reporting
  - Performance card
  - Benchmark
    - ... Against other agencies
    - ... Against companies
    - ... Against other suppliers
  - Annual account review